

## CHAPTER 10

### PROJECT MONITORING

#### OVERVIEW

Recipients of TSEP financial assistance are responsible for administering their TSEP projects in accordance with all applicable state statutory and regulatory requirements, unless they are superseded by federal requirements. The Department has the responsibility to ensure that TSEP recipients are carrying out their projects in accordance with these requirements.

#### PURPOSE OF MONITORING

Project monitoring is the Department's primary method for determining whether a project is in compliance with the state laws and TSEP requirements. **It is the Department's overall goal to assist and support TSEP recipients in complying with applicable state requirements and in successfully implementing their project activities from start-up through closeout of the project.** During the course of the TSEP project, the Department will monitor each TSEP recipient through written progress reports and periodic on-site visits, so that any problems that might occur can be resolved as soon and as easily as possible.

The other goals of the monitoring process are to determine whether TSEP recipients:

- are complying with TSEP specific requirements and other state laws and regulations;
- are carrying out their TSEP project activities as described in their applications and contracts;
- are carrying out their project activities in a timely manner, in accordance with adopted project implementation schedules;
- are charging costs to the projects which are eligible uses of TSEP funds and consistent with the approved project budget; and
- are conducting the program in a manner that minimizes the opportunity for fraud, waste, and mismanagement.

TSEP recipients are required to maintain complete financial and project files, to comply with TSEP reporting requirements, and to make their records available to authorized agents of state government. Representatives of the Department must be provided reasonable access, during normal business hours, to all books, accounts, records, reports and files pertaining to

TSEP-funded activities. Under Montana law, TSEP recipients must also provide all citizens with reasonable access to records regarding the use of TSEP funds.

## **MONITORING PROCEDURES**

In addition to reviewing information submitted with progress reports and requests for TSEP funds, the TSEP liaison for your project will schedule at least one on-site monitoring visit for each TSEP recipient. MDOC will attempt to monitor projects twice if possible; once, during start-up and usually in conjunction with the pre-construction conference, and the second, during construction activities. Each monitoring visit usually involves a one or two-day visit to the community to review records, to inspect the community's progress in completing the project activities, and to meet with the grant administrator and local officials.

On-site monitoring is a structured review conducted at the location(s) where project activities are being carried out and/or where project records are maintained. TSEP staff use a formal monitoring guide covering the key requirements discussed in this manual as the format for their review of local projects. Exhibit 10-A contains a copy of the TSEP Project Monitoring Checklist. The checklist is designed to parallel the organization of the chapters and the project administration issues discussed in the TSEP Project Administration Manual.

Prior to a monitoring visit, the TSEP liaison will contact the grant administrator concerning the timing and scope of the monitoring visit. Whenever possible, each monitoring visit normally concludes with an exit conference. The exit conference provides an opportunity to meet with local officials and staff to review and discuss any outstanding issues identified during the site visit, both positive and negative. As part of that review, the TSEP liaison will describe his or her tentative conclusions and indicate the level of concern that will be assigned to a particular issue and why. In particular, the TSEP liaison will discuss those issues that he or she intends to address in written monitoring comments. In many cases, by thoroughly discussing a potential problem, TSEP staff is able to determine that there is a reasonable explanation for a particular circumstance or question. Since the overall goal of the TSEP liaison is to assist TSEP recipients in achieving timely and effective grant management, every effort will be made to informally resolve or clarify minor monitoring concerns during the exit conference.

## **MONITORING COMMENTS**

Within 30 days following the monitoring visit, the TSEP liaison will provide written monitoring comments to the grant recipient. Copies of the letter will be sent to both the chief elected official and the grant administrator. The monitoring letter will contain the following general elements:

1. A description of each major area the monitoring visit covered, files reviewed, who conducted the review and the date that it occurred;

2. A brief description of the statutory or regulatory requirement at issue and an explanation of the documentation examined pertinent to the requirement;
3. The conclusion the reviewer has reached; i.e., satisfactory performance, a "concern," a "question of performance", or a "finding"; (see explanation of terms below); and
4. A statement that describes the basis for the conclusion.

Within the scope of a monitoring review there are potentially three levels that may be assigned to a particular issue, if the TSEP recipient's performance is considered less than satisfactory:

### CONCERN

When the TSEP liaison raises an issue that does not involve a statutory or regulatory requirement but may involve recommending a management or program improvement, it is considered a "concern". A modification of an administrative procedure or policy is suggested but is not required. No response by local officials is required.

### QUESTION OF PERFORMANCE

If the monitoring review raises a question regarding whether a violation of a statutory or regulatory requirement has occurred, the TSEP liaison will first informally discuss the review results with local officials to determine if a violation has occurred. If a determination cannot be made during the exit conference, the TSEP staff may conclude that there is still a "question of performance" and request that additional information be provided within a 30 day time period in order for MDOC to determine whether a violation has, in fact, occurred. A final determination regarding the issue under question will be made within 30 days of the grant recipient's response.

### FINDING

When a monitoring review of a TSEP recipient's performance reveals a specific, identifiable violation of a statutory or regulatory requirement about which there is no question, the TSEP liaison will make a "finding". A written response regarding the TSEP recipient's proposed actions to correct the situation is required within 30 days of the date of the TSEP liaison's monitoring letter.

Corrective actions should be designed to:

1. Prevent a continuance of the violation;
2. Mitigate any adverse effects or consequences of the violation to the extent possible under the circumstances; and
3. Prevent a recurrence of the same or similar violation.

There may be a number of acceptable solutions for resolving a violation. The TSEP recipient is allowed to respond to each problem with any reasonable and adequate solution of its choice. The Department will determine the adequacy of a corrective action. At all times, the TSEP staff will offer any necessary technical assistance to TSEP recipients to avoid or resolve any monitoring findings.

## **CHAPTER 10**

### **EXHIBITS**

10-A            Project Monitoring Checklist